



GROSVENOR PROJECT GOLD RESOURCE AND RESERVE UPDATE

RESOURCE AND INVESTMENT NL (ASX: **RNI**) (RNI or the Company) is pleased to provide updated gold resources and reserves from the Company’s Grosvenor Project, 170km north-west of Meekatharra in Western Australia.

The revised Grosvenor resource and reserve calculations underpin the stage one mining schedule at Grosvenor which the Company announced to the ASX on 16 November 2012. This stage one mining schedule forecasts gold production of 202,700 ounces from RNI’s Grosvenor gold plant over an initial 42-month period, generating estimated net cash flow (after tax, royalties and the repayment of all capital costs) of \$76.2 million.

Revised Gold Resources

The JORC compliant measured, indicated and inferred gold resource inventory at Grosvenor has been revised to 1.25Moz, based on 18.9Mt @ 2.05g/t (Table 1). This updates the previous indicated and inferred resource of 1.2Moz based on 16.6Mt @ 2.2g/t.

The update primarily reflects a lowering of the cut-off grade at the Yarlarweelor, Toms, Callies North and Horseshoe pits with the completion of the mining study in November 2012. This has resulted in an additional 2.3Mt booked to the resource.

Table 1 Summary of Grosvenor Project Gold Resources - November 2012										
Project	Cut-off (g/t)	Tonnes (kt)	Grade (Au g/t)	Tonnes (kt)	Grade (Au g/t)	Tonnes (kt)	Grade (Au g/t)	Tonnes (kt)	Grade (Au g/t)	Au Ounces
		Measured		Indicated		Inferred		Total		
Yarlarweelor	0.5	--	--	5,498	1.6	1,511	1.6	7,009	1.6	360,500
Starlight	1	--	--	1,558	3	924	3.4	2,482	3.2	252,500
Starlight Hanging Wall	1	--	--	145	4.3	503	2.9	648	3.2	67,500
Twilight	1	--	--	1,138	2.7	316	2.6	1,454	2.7	124,700
Ricks	1	--	--	232	1.9	63	2.1	295	2	18,800
Midnight	1	--	--	229	2.3	124	2.7	353	2.4	27,400
Dougies	1	--	--	99	3.1	123	2.9	222	3.0	21,500
Eldorado	0.6	--	--	--	--	386	1.4	386	1.4	17,300
Toms & Sams	0.5	42	1.64	1,031	1.53	272	1.66	1,345	1.56	67,400
Horseshoe, Cassidy & Pod	0.5	--	--	1,578	2.09	792	2.3	2,370	2.16	164,600
Nathans	0.75	--	--	--	--	1,081	1.9	1,081	1.9	66,900
Callies North	0.5	793	1.52	47	1.37	109	1.14	949	1.47	44,800
Regent	0.6	--	--	--	--	328	1.4	328	1.4	14,300
TOTAL		835		11,555		6,532		18,922	2.05	1,248,200

Revised Gold Reserves

The revised in-pit JORC compliant gold reserves at Grosvenor now stand at 275,400 ounces, based on 4.25Mt @ 2.04g/t (Table 2). Of those reserves, 211,900oz are in the probable category and 63,500oz in the proven category.

The updated mining study completed by RNI in November 2012 was based on revised planning and cost input parameters and now includes the Toms reserve, in addition to the Yarlalweelor, Horseshoe and Callies open pits.

The revised reserve updates the previous probable reserve of 299,700oz from the Yarlalweelor, Horseshoe and Callies pits, as reported to the ASX on 20 July 2012.

The new reserve primarily reflects optimisation, design and development work completed as part of the mining study.

Optimisation and pit design work is based on a process plant nameplate of 1Mtpa. Mining dilution has been increased to 10% other than at Yarlalweelor, where the base resource model was an MIK (multi-indicator Kriged) model, with mining dilution included.

The changed reserve metrics primarily reflect increases in cut-off grade in optimisation. At Yarlalweelor this has increased to 0.84g/t, at Horseshoe to 1.11g/t, at Callies to 0.92g/t and 0.78g/t at Toms.

Optimisations were based on a gold price of A\$1,500, less State royalties, other than Toms, which was based on A\$1,700, less State royalties.

A 95% mining recovery has been applied with 20 metre minimum mining width. A discount rate of 10% has been applied in optimisation and an exchange rate of US1.00:AUD1.00. Resource models have been re-blocked to 5m mining bench heights.

Category	Tonnes (kt)	Grade (Au g/t)	Au Ounces
Yarlalweelor Probable	2,876	2.09	193,100
Horseshoe Proven	874	2.01	56,500
Horseshoe Probable	29	1.63	1,500
Toms Proven	22	1.82	1,300
Toms Probable	312	1.71	17,100
Callies Proven	82	2.15	5,700
Callies Probable	2	1.84	100
Total Proven	979	2.02	63,500
Total Probable	3,219	2.05	211,900
Total Reserve	4,198	2.04	275,400
Inferred included in designs	57	2.13	3,900
TOTAL PIT INVENTORY	4,255	2.04	279,300

RNI's \$11.9 million refurbishment program for the Grosvenor gold plant remains on schedule for gold production to commence in 2013.

For further information, please contact;

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Competent Person's Statements

The information in this ASX release that relates to **Exploration Results and Mineral Resources** is based on information compiled by Mr Albert Thamm, who is a Fellow and Chartered Professional of the Australasian Institute of Mining and Metallurgy. Mr Thamm is Technical Director of Resource and Investment NL and has sufficient experience which is relevant to the style of mineralisation and types of deposit under consideration and to the activities undertaken to qualify as a Competent Person as defined in the 2004 Edition of the Australasian Code of Reporting of Mineral Resources and Ore Reserves. Mr Thamm consents to the inclusion in the release dated 21 November 2012 on the matters based on information in the form and context in which it appears.

Resources have been rounded to 1000 tonnes and 100 ounces and computational discrepancies may arise in tabulation. One troy ounce gold is taken at 31.10747g. Where exploration results are reported these are at thresholds of 0.2 g/t gold or silver or 0.5% individual base-metals or 1% combined copper, lead and zinc.

The information in this ASX announcement reporting **Mineral Reserves** is based on information compiled by Mr Steve Craig, who is a Member the Australasian Institute of Mining and Metallurgy. Mr Craig is an Independent Consultant to RNI and the Managing Director of Orelogy Pty Ltd and has sufficient experience which is relevant to the style of mineralisation and types of deposit under consideration and to the activities undertaken to qualify as a Competent Person as defined in the 2004 Edition of the Australasian Code of Reporting of Mineral Resources and Ore Reserves. Mr Craig consents to the inclusion in the release dated 21 November 2012 on the matters based on information in the form and context in which it appears. Mr Craig's consent is based on a report "2012 Mining Study Update- Resource and Investment NL, Fortnum Gold Project Bankable Feasibility Study" dated 19 November, 2012.

Reserves have been rounded to 1000 tonnes and 100 ounces and computational discrepancies may arise in tabulation.

Forward-Looking Statements

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